

AMENDED IN SENATE MARCH 23, 2006

SENATE BILL

No. 1225

Introduced by Senators Chesbro and Soto
(Coauthors: Assembly Members Berg and Jones)

February 1, 2006

An act to amend ~~Section~~ *Sections 9250.7 and 22710* of the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

SB 1225, as amended, Chesbro. ~~Service authority : registration fee authority: registration and service fees.~~

Existing law authorizes the establishment of a service authority for the abatement of abandoned vehicles and the imposition of a \$1 vehicle registration fee in a county if the board of supervisors of that county, by a $\frac{2}{3}$ vote, and a majority of the cities having a majority of the incorporated population within the county adopt resolutions providing for the establishment of that authority and the imposition of the \$1 fee. *Existing law imposes an additional \$2 service fee on a commercial motor vehicle.*

This bill would ~~increase~~ *revise* the amount of the ~~vehicles~~ *vehicle* registration fee for these purposes from \$1 to *\$1 or \$2*, and would *revise the amount of the additional service fee imposed on a commercial motor vehicle from \$2 to \$2 or \$4, as established by the service authority. The bill would require the same adoption procedure set forth above for an increase of the fee from \$1 to \$2.*

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. Section 9250.7 of the Vehicle Code is amended*
2 *to read:*

3 9250.7. (a) (1) A service authority established *fee imposed*
4 under Section 22710 ~~may impose a service fee of one dollar (\$1)~~
5 on all vehicles, except vehicles described in subdivision (a) of
6 Section 5014.1, registered to an owner with an address in the
7 county that established the service authority. ~~The fee shall be~~
8 paid to the department at the time of registration, or renewal of
9 registration, or when renewal becomes delinquent, except on
10 vehicles that are expressly exempted under this code from the
11 payment of registration fees.

12 (2) In addition to the ~~one dollar (\$1)~~ service fee *imposed under*
13 *Section 22710*, and upon the implementation of the permanent
14 trailer identification plate program, and as part of the
15 Commercial Vehicle Registration Act of 2001, all commercial
16 motor vehicles subject to Section 9400.1 registered to an owner
17 with an address in the county that established a service authority
18 under this section shall pay an additional service fee of two
19 dollars (\$2) *or four dollars (\$4), as established by the service*
20 *authority.*

21 (b) The department, after deducting its administrative costs,
22 shall transmit, at least quarterly, the net amount collected
23 pursuant to subdivision (a) to the Treasurer for deposit in the
24 Abandoned Vehicle Trust Fund, which is hereby created. All
25 money in the fund is continuously appropriated to the Controller
26 for allocation to a service authority that has an approved
27 abandoned vehicle abatement program pursuant to Section
28 22710, and for payment of the administrative costs of the
29 Controller. After deduction of its administrative costs, the
30 Controller shall allocate the money in the Abandoned Vehicle
31 Trust Fund to each service authority in proportion to the revenues
32 received from the fee imposed by that authority pursuant to
33 subdivision (a). If any funds received by a service authority
34 pursuant to this section are not expended to abate abandoned
35 vehicles pursuant to an approved abandoned vehicle abatement
36 program that has been in existence for at least two full fiscal
37 years within 90 days of the close of the fiscal year in which the
38 funds were received and the amount of those funds exceeds the

1 amount expended by the service authority for the abatement of
2 abandoned vehicles in the previous fiscal year, the fee imposed
3 pursuant to subdivision (a) shall be suspended for one year,
4 commencing on July 1 following the Controller's determination
5 pursuant to subdivision (e).

6 (c) ~~Every~~ A service authority that imposes a fee authorized by
7 subdivision (a) shall issue a fiscal yearend report to the
8 Controller on or before October 31 of each year summarizing all
9 of the following:

10 (1) The total revenues received by the service authority during
11 the previous fiscal year.

12 (2) The total expenditures by the service authority during the
13 previous fiscal year.

14 (3) The total number of vehicles abated during the previous
15 fiscal year.

16 (4) The average cost per abatement during the previous fiscal
17 year.

18 (5) Any additional, unexpended fee revenues for the service
19 authority during the previous fiscal year.

20 (d) ~~Each~~ A service authority that fails to submit the report
21 required pursuant to subdivision (c) by October 31 of each year
22 shall have its fee pursuant to subdivision (a) suspended for one
23 year commencing on July 1 following the Controller's
24 determination pursuant to subdivision (e).

25 (e) On or before January 1 annually, the Controller shall
26 review the fiscal yearend reports, submitted by each service
27 authority pursuant to subdivision (c) and due no later than
28 October 31, to determine if fee revenues are being utilized in a
29 manner consistent with the service authority's approved program.
30 If the Controller determines that the use of the fee revenues is not
31 consistent with the service authority's program as approved by
32 the California Highway Patrol, or that an excess of fee revenues
33 exists, as specified in subdivision (b), the authority to collect the
34 fee shall be suspended for one year pursuant to subdivision (b). If
35 the Controller determines that a service authority has not
36 submitted a fiscal yearend report as required in subdivision (c),
37 the authorization to collect the service fee shall be suspended for
38 one year pursuant to subdivisions (b) and (d). The Controller
39 shall inform the Department of Motor Vehicles on or before
40 January 1 annually, that the authority to collect the fee is

1 suspended. A suspension shall only occur if the service authority
2 has been in existence for at least two full fiscal years and the
3 revenue fee surpluses are in excess of those allowed under this
4 section, the use of the fee revenue is not consistent with the
5 service authority's approved program, or the required fiscal
6 yearend report has not been submitted by October 31.

7 (f) On or before January 1 annually, the Controller shall
8 prepare and submit to the Legislature a revenue and expenditure
9 summary for each service authority established under Section
10 22710 that includes, but is not limited to, all of the following:

- 11 (1) The total revenues received by each service authority.
- 12 (2) The total expenditures by each service authority.
- 13 (3) The unexpended revenues for each service authority.
- 14 (4) The total number of vehicle abatements for each service
15 authority.

- 16 (5) The average cost per abatement as provided by each service
17 authority to the Controller pursuant to subdivision (c).

18 (g) The fee imposed by a service authority shall remain in
19 effect only for a period of 10 years from the date that the actual
20 collection of the fee commenced unless the fee is extended
21 pursuant to this subdivision. The fee may be extended in
22 increments of up to 10 years each if the board of supervisors of
23 the county, by a two-thirds vote, and a majority of the cities
24 having a majority of the incorporated population within the
25 county adopt resolutions providing for the extension of the fee.

26 **SECTION 1.**

27 **SEC. 2.** Section 22710 of the Vehicle Code is amended to
28 read:

29 22710. (a) (1) A service authority for the abatement of
30 abandoned vehicles may be established, and a *one dollar (\$1) or*
31 *two dollar (\$2) vehicle registration fee imposed, in a county if*
32 *the board of supervisors of the county, by a two-thirds vote, and*
33 *a majority of the cities having a majority of the incorporated*
34 *population within the county have adopted resolutions providing*
35 *for the establishment of the authority and imposition of the fee.*
36 *The membership of the authority shall be determined by*
37 *concurrence of the board of supervisors and a majority vote of*
38 *the majority of the cities within the county having a majority of*
39 *the incorporated population.*

1 (2) *If the fee imposed under paragraph (1) is increased from*
2 *one dollar (\$1) to two dollars (\$2), the imposition of that*
3 *increased fee shall be adopted in the same manner as the*
4 *establishment of the authority and the imposition of the initial fee*
5 *pursuant to paragraph (1).*

6 (b) The authority may contract and may undertake any act
7 convenient or necessary to carry out any law relating to the
8 authority. The authority shall be staffed by existing personnel of
9 the city, county, or county transportation commission.

10 (c) (1) Notwithstanding any other provision of law, a service
11 authority may adopt an ordinance establishing procedures for the
12 abatement, removal, and disposal, as a public nuisance, of any
13 abandoned, wrecked, dismantled, or inoperative vehicle or part
14 thereof from private or public property; and for the recovery,
15 pursuant to Section 25845 or 38773.5 of the Government Code,
16 or assumption by the service authority, of costs of administration
17 and that removal and disposal. The actual removal and disposal
18 of a vehicle shall be undertaken by an entity that may be a county
19 or city or the department, pursuant to contract with the service
20 authority as provided in this section.

21 (2) The money received by an authority pursuant to Section
22 9250.7 and this section shall be used only for the abatement,
23 removal, and disposal as a public nuisance of an abandoned,
24 wrecked, dismantled, or inoperative vehicle or part thereof from
25 private or public property.

26 (d) (1) An abandoned vehicle abatement program and plan of
27 a service authority shall be implemented only with the approval
28 of the county and a majority of the cities having a majority of the
29 incorporated population.

30 (2) The department shall provide guidelines for an abandoned
31 vehicle abatement program. An authority's abandoned vehicle
32 abatement plan and program shall be consistent with those
33 guidelines, and shall provide for, but not be limited to, an
34 estimate of the number of abandoned vehicles, a disposal and
35 enforcement strategy including contractual agreements, and
36 appropriate fiscal controls.

37 The department's guidelines provided pursuant to this
38 paragraph shall include, but not be limited to, requiring each
39 service authority receiving funds from the Abandoned Vehicle
40 Trust Fund to report to the Controller on an annual basis pursuant

1 to subdivision (c) of Section 9250.7, in a manner prescribed by
2 the department, and pursuant to an approved abandoned vehicle
3 abatement program.

4 (3) After a plan has been approved pursuant to paragraph (1),
5 the service authority shall, not later than August 1 of the year in
6 which the plan was approved, submit it to the department for
7 review, and the department shall, not later than October 1 of that
8 same year, either approve the plan as submitted or make
9 recommendations for revision. After the plan has received the
10 department's approval as being consistent with the department's
11 guidelines, the service authority shall submit it to the Controller.

12 (4) Except as provided in subdivision (e), the Controller shall
13 not make allocations for a fiscal year, commencing on July 1
14 following the Controller's determination to suspend a service
15 authority when a service authority has failed to comply with the
16 provisions set forth in Section 9250.7.

17 (5) A governmental agency shall not receive funds from a
18 service authority for the abatement of abandoned vehicles
19 pursuant to an approved abandoned vehicle abatement program
20 unless the governmental agency has submitted an annual report
21 to the service authority stating the manner in which the funds
22 were expended, and the number of vehicles abated. The
23 governmental agency shall receive that percentage of the total
24 funds collected by the service authority that is equal to its share
25 of the formula calculated pursuant to paragraph (6).

26 (6) A service authority shall calculate a formula for
27 apportioning funds to each governmental agency that receives
28 funds from the service authority and submit that formula to the
29 Controller with the annual report required pursuant to paragraph
30 (2). The formula shall apportion 50 percent of the funds received
31 by the service authority to a governmental agency based on the
32 percentage of vehicles abated by that governmental agency of the
33 total number of abandoned vehicles abated by all member
34 agencies, and 50 percent based on population and geographic
35 area, as determined by the service authority. When the formula is
36 first submitted to the Controller, and each time the formula is
37 revised thereafter, the service authority shall include a detailed
38 explanation of how the service authority determined the
39 apportionment between per capita abatements and service area.

1 (7) Notwithstanding any other provision of this subdivision,
2 the Controller may allocate to the service authority in the County
3 of Humboldt the net amount of the abandoned vehicle abatement
4 funds received from the fee imposed by that authority, as
5 described in subdivision (b) of Section 9250.7, for calendar years
6 2000 and 2001.

7 (e) A plan that has been submitted to the Controller pursuant to
8 subdivision (d) may be revised pursuant to the procedure
9 prescribed in that subdivision, including compliance with the
10 dates described therein for submission to the department and the
11 Controller, respectively, in the year in which the revisions are
12 proposed by the service authority. Compliance with that
13 procedure shall only be required if the revisions are substantial.

14 (f) For purposes of this section, “abandoned vehicle
15 abatement” means the removal of a vehicle from public or
16 private property by towing or any other means after the vehicle
17 has been marked as abandoned by an official of a governmental
18 agency that is a member of the service authority.

19 (g) A service authority shall cease to exist on the date that all
20 revenues received by the authority pursuant to this section and
21 Section 9250.7 have been expended.